



ALRAMZ  
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## SUSTAINABILITY REPORT 2020

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## 1. A Message from our Managing Director

I am pleased to present AI Ramz' Sustainability Report showcasing the company's ongoing efforts to promote the well-being of our employees, our communities, and the environment. As stewards of a global enterprise, our board members and executive management recognize their obligation to provide leadership and guidance as AI Ramz works to promote sustainability and social progress on multiple fronts as well its obligation to keep our stakeholders informed regarding these endeavours and their results.

Throughout its history, AI Ramz has always built its success upon the strong foundation of a culture of compliance, ethical behaviour, and systematic enterprise risk management. The board of directors and I share these core values, which also drive our dedication to effective corporate governance. Our increasing efforts to promote diversity, equity, and inclusion in our workplace, as well as to promote the long-term health of our planet.

AI Ramz' mission states that we should contribute to national growth by creating and unlocking stakeholder value and building long lasting partnerships with our customers. In addition, the board and I also ensure that these mandates are integrated into the fabric of our business strategy. Our clients are increasingly looking to cut through complexities as they pursue sustainability and social welfare as core business strategies. We will continue to monitor the company's efforts to meet the growing demand for these services.

Finally, in addition to our effort inside the boardroom, many of our board members are engaged in the company's diversity, equity, and inclusion efforts. We look forward to continuing and expanding our personal participation in the future.

Thank you for taking the time to review our first Sustainability Report. I am privileged to be leading AI Ramz' efforts to make our workplaces and communities better environments in which to work and live, and we look forward to sharing the company's progress in future reports.

Sincerely,

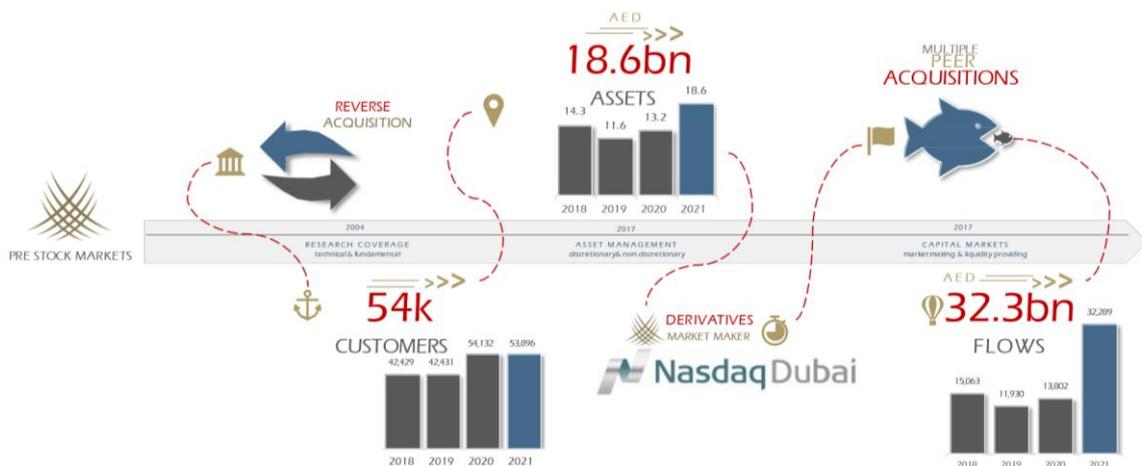
**Mohammad Mortada AI Dandashi**  
Managing Director

## 2. Al Ramz at a Glance

### a. Our Journey

Founded in 1998, Al Ramz is a UAE domiciled public joint stock company listed on the Dubai Financial Market and regulated by the UAE Securities and Commodities Authority as well as the Dubai Financial Services Authority.

Al Ramz plays a prominent role in shaping the UAE's financial markets and has earned multiple awards and accolades including the 2018 Banker Middle East Best Broker – Middle East as well as the 2018 Banker Middle East Best Market Maker – Middle East and Best Securities Brokerage in 2020 by Global Banking and Finance in addition to multiple awards from ADX, DFM & Nasdaq Dubai.

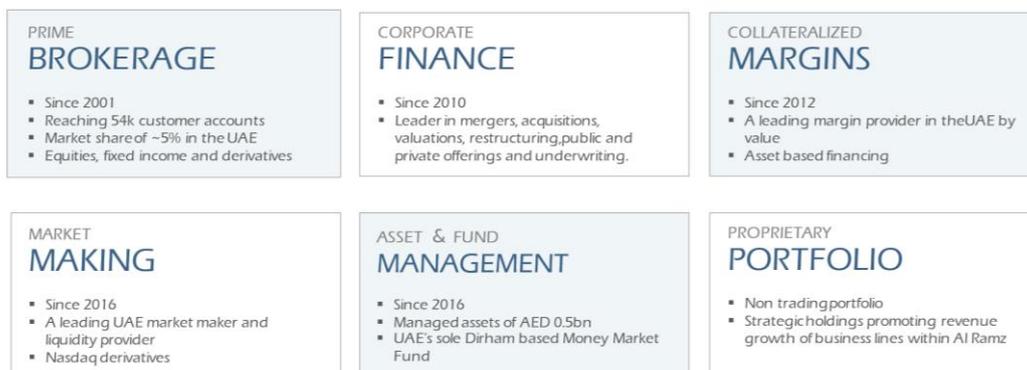


### b. Al Ramz Offering

Al Ramz offers a wide range of financial products including asset management, market making and liquidity providing, corporate finance, securities brokerage, IPO management and research. The company continues to grow its offering with the purpose of providing all investment banking services to our current and future clients.

## offering overview..

a brief overview of Al Ramz business lines and revenue contribution



## c. Our Vision, Mission, and Values

### **Our Vision**

To consistently set standards as a progressive, financially successful organization of the highest integrity, respected by our clients, by our colleagues and by the community.

### **Our Mission**

To contribute to national growth by creating and unlocking stakeholder value and building long lasting partnerships with our customers by:

- Cutting through complexities paving the way for responsible investing
- Offering uncompromising service to our clients
- Creating a positive economic impact in our community

### **Our Values**

#### **Value Creation:**

We create and unlock value for our customers and stakeholders.

#### **Ingenuity:**

We are creative, resourceful and perceptive in our duties.

#### **Collaboration:**

We work together to bring out the best in each other and create successful working relationships.

#### **Integrity:**

We uphold the highest standards and rigorously maintain our independence.

Our clients' successes and the firm's growth and recognition are fundamentally attributable to the quality of our people—their intellect, their drive, and their vision.

### 3. Our Approach to ESG

Since 2019, Al Ramz has embarked on a three-year transformation journey that will enable it to stand out, offer services in the region, develop sustainable growth, and create a distinctive identity.

As part of this transformation, we have identified three main areas to focus on to ensure Al Ramz continues and remains sustainable over the years. These main areas include:

1. Social: Our People
2. Governance and Risk Management
3. The Environment

We believe that thoughtful and consistent attention to our ESG responsibilities is integral to our operations, our long-term success, and our stakeholder relationships (our employees, clients, stockholders, regulators, and communities).

**Evolving identification of ESG responsibilities most applicable to our business through aggregation of findings from ESG diagnostics and stakeholder assessments:**

1. Our Approach to Human Capital Management
2. Employee Recruitment, Development, and Engagement
  - a. Talent Acquisition
  - b. Employee Empowerment (Training and Development)
  - c. Employee Engagement
3. Shaping Our Future with Diversity, Equity, and Inclusion
  - a. Emiratisation
4. Recognition
5. Employee Health and Well-Being
  - a. Our Response to COVID-19
6. Governance and Risk Management
7. Environmental Action

## **4. An Evolving Approach to Human Capital Management**

People are the most valuable assets to any successful business. The right calibre, education, background, behaviour, and ethics are the main qualities we assess prior to recruiting any resource.

As our company has grown, we have made necessary adaptations to build our human capital. Our dedicated Human Capital Group consists of experienced professionals that shape our strategies ranging from recruitment, training and development, mentorship, inclusion, rewards, recognition, and more.

Upon joining Al Ramz, our employees go through a broad detailed onboarding process to provide them with the knowledge and tools to help them succeed in their role. We continue to invest in our employees via education, training, and development with the aim of building future leaders.

### **a. Employee Recruitment, Development, and Engagement**

#### **i. Talent Acquisition**

Our talent acquisition team targets and recruits candidates with prominent backgrounds. We recognize that a firm of employees from all walks of life enables us to better serve our clients. Graduates accepted into our rotation program are exposed to different financial departments, receive mentorship and career advice, as well as training to ease their transition into full-time employment. Al Ramz also invests in financial professionals with experience from diverse financial institutions to share their knowledge and skills which in turn strengthens our team dynamic and improves our work efficiency.

At Al Ramz, we view varied levels of talent acquisition as critically strategic to our business. While our hiring process places an emphasis on technical abilities, we place an equal emphasis on ensuring that candidates are a good cultural fit.

#### **ii. Employee Empowerment (Training and Development)**

In 2020, our key focus was to continue driving transformational leadership as an organisation. Our vision for transformation leadership is to build great leaders, teams, and culture. We believe that building an environment with a growth mindset is essential to enabling individuals to consistently grow, develop, and support teams to keep improving and innovating. Initiatives that we have conducted to drive transformational leadership include:

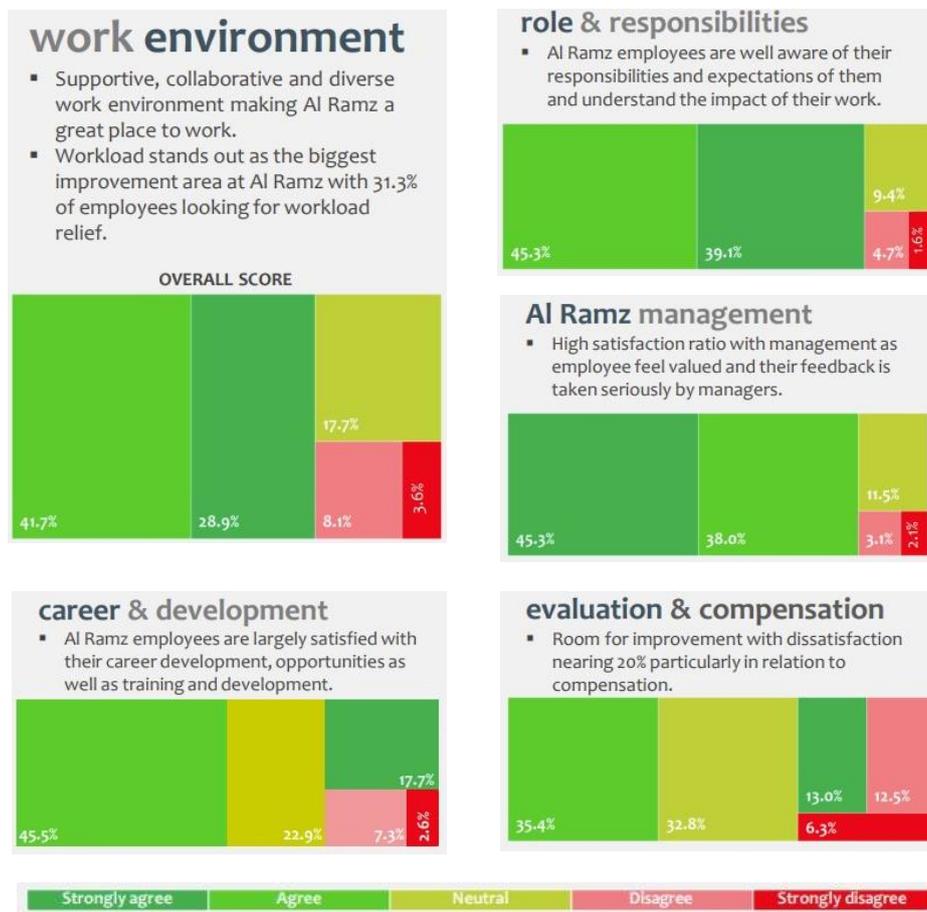
- Mentorship programs
- Graduate program
- Career progression planning
- Coaching program

### iii. Employee Engagement

At Al Ramz, we recognize how important professional and personal growth is. We also acknowledge that our competitive edge stems from our talent. Our thrive for excellence is visible through our recruitment process, skill building, mentorship, and robust performance management process.

With the rise of the pandemic, effective learning and development had reduced among our employees. To counteract this, Al Ramz employed LinkedIn learning to provide employees with a wide library of online learning materials they could use to progress their career forward.

Our approach to remaining a top competitor and employer in the financial market is assessed through regular feedback from our employees. To better understand our employees, a recent survey was conducted that showed the following results:



## **b. Shaping Our Future with Diversity, Equity, and Inclusion**

AI Ramz recognizes the importance of diversity and inclusivity and is committed to fostering an environment that is accepting of all backgrounds. We make this commitment because we know there is strength and unity in diversity. This allows us to better serve our clients and help our employees feel at home.

AI Ramz regularly reviews workforce composition and imposes diversity quotas to ensure equity and inclusion. By conducting some analysis on the current workforce and their background, we have identified areas of improvement and have put in place a strategy to increase our diversity.

As of 31 Dec 2020, our analysis indicated that AI Ramz would benefit from a more diverse workforce which has effectively been reflected in our hiring process. 15 nationalities. Female work force increased to 25% in 2020 compared to 20% in 2019 as gender equity and equal pay are some of our top priorities.

With these efforts, we will continue to proactively diversify our talent roster and expand our inclusion efforts that will drive our long-term success and improve employee retention.

### **i. Emiratisation**

As part of our inclusion efforts, a key priority set by our BOD during 2020 was Emiratisation. AI Ramz is currently in the process of attracting young, gifted UAE nationals, with the objective of providing them with training and tools necessary to initiate their career in the financial sector. Our Human Capital team has established contacts with leading universities in the UAE to attract fresh graduates to this program. Our goal is to have UAE nationals as part of our task force.

## **c. Recognition**

Our employees' performance objectives are aligned with the Group's strategy and business plan. We measure our employees' performance based on their contribution to the achievement of our business goals and against behavioural expectations. Setting clear objectives and score cards at the beginning of the year allows employees to keep track of their targets. This performance assessment process allows us to identify the potential of our employees and recognise outstanding individual and team performances.

AI Ramz has launched its first Long-Term Incentive Plan (LTIP) for key personnel. Moreover, a policy for spot awards has been established and granted for employees that have gone beyond the scope of work.

## **d. Health and Well-Being**

At Al Ramz, we prioritize our employees' health and well-being which is why we offer a variety of benefits aside from vacation days.

Some of these benefits include medical, dental and life insurance benefits, time-off policies, sick leave, and parental leaves. We also provide our employees with study leaves to allow them to pursue accreditation and higher education.

### **i. Our Response to COVID-19**

As we have navigated these extraordinary times, our primary concern has been the protection and well-being of our team.

In 2020, the coronavirus pandemic drastically changed our ways of working and safeguarding the health and well-being of employees was our top priority. To protect our employees, we were the first company to go virtual and work from home.

We applied the same high standards of care, safety and security across our markets but adapted them according to the evolving situation. A COVID-19 response policy was created, providing the tools, equipment and required access to fully operate from home while maintaining social connections through online meetings; and social media groups to share news, initiate discussion, and share light-hearted content.

We also created a working group employee who contracted the virus to be provided with emotional support, medical support, and financial support, if required.

In a short period of time, our employees adopted new technologies, communicated virtually and maintained a work-life balance. We are grateful for their adaptability and perseverance to consistently deliver quality results to our clients and colleagues.

As we adjust to this new normal, we will continue to monitor the spread of COVID-19, remain vigilant in ensuring our employees are safe, and implement new protocols, as needed.

## **5. Governance & Risk Management**

Our success is dependent on Al Ramz employees consistently working to advance our mission. These efforts are enhanced by our organizational structures, risk management strategies, and consistent dialogues across our teams and with our senior leadership.

### **a. Commitment to Good Governance**

Our reputation has and will always be critical to materialise our vision of being the customer's first choice in the financial sector. Since inception, Al Ramz' strong governance and reputation for integrity were the foundation of our growth and success. Our core values support our strategy, our day-to-day activities and everything we do. By placing our clients' needs at the top of our priorities, always choosing the right approach, providing exceptional

services and being innovative in everything we do, we become the institution of choice for financial services.

Governance and Risk Management are integral to our business. To protect our business, clients, shareholders, and other stakeholders, we adopt rigorous and broad detailed risk management policies and controls.

Our Corporate Governance Framework includes the following components:

#### **Group Board**

- Audit Committee
- Nomination and Remuneration Committee
- Investment and Risk Committee

#### **Corporation Management Committees**

- EXCO
- Initiatives
- Investment
- ALCO
- Risk
- Fund
- Procurement
- Insider
- IT SteerCo
- Fund Investment

#### **b. Professional Integrity and Business Ethics**

Our Code of Ethics and Business Conduct is the essential guide for all employees. It details our expectations for employee behavior, conduct, and compliance and is supplemented with specific policies for certain lines of business. Annually, we conduct compliance training and certification programs to ensure that all our employees are familiar with the policies and procedures.

1. Our reputation depends on the **judgement and integrity** of our officers, directors, and employees to act in accordance with our principles.
2. All employees are encouraged **to raise concerns of actual or perceived unethical behaviour or misconduct** to a senior officer or supervisor, legal division, chief corporate governance or compliance officer, internal auditor, and/or head of the Human Capital.
3. We value utmost discretion and confidentiality through our **whistleblowing policy**, anonymous hotline available online or by phone 24/7 from anywhere in the world for confidential issue reporting.

4. Our Legal, Compliance and Human Capital departments' senior management **oversee our global compliance, ethics, and risk management strategies**, and our board's **Audit Committee reviews on a quarterly and annually basis our compliance and whistleblower activities.**

### **Al Ramz' Core Policies**

Restricted List/ Insider Trading

Personal / Private Investments

Anti-Money Laundering

Outside Business Activities

Client Due Diligence and Background Checks

Gifts and Entertainment

Compliance Manual

Conflicts of Interest

Whistleblower Protection

Data Privacy / Confidentiality / Cybersecurity

Communications and Public / Social Media

Archiving Policies and Procedures

Escalation Process

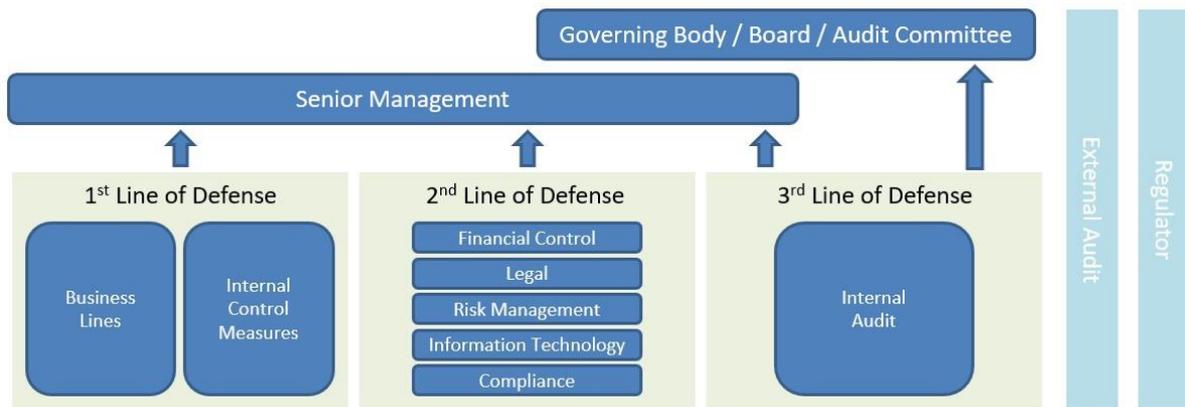
### **c. Operational Framework**

Al Ramz employs the 3 Lines of Defense model. Within this model, the Board sets the direction of the group by defining the vision, mission, values, and risk appetite. It then delegates responsibility for the achievement of the organization's objectives to management. The governing body receives reports from management on planned, actual, and expected outcomes, as well as reports on risk and the management of risk.

**First line:** Business lines (process owners) have the primary responsibility to own and manage risks associated with day-to-day operational activities including design, operation, and implementation of controls.

**Second line:** Identifies emerging risks in daily operation of the business by providing compliance and oversight in the form of frameworks, policies, tools, and techniques to support risk and compliance management such as delegation of authority and risk registers.

**Third line:** Provides objective and independent assurance on whether the first- and second-line functions are operating effectively and is charged with the duty of reporting to the board and audit committee, in addition to providing assurance to regulators and external auditors that the control culture across the organization is effective in its design and operation.



#### d. Policies & Procedures

A set of guiding principles and rules that indicate how we conduct business

- Group Delegation of Authority Framework
- Defines and governs the Group's delegations of authority across subsidiaries and department, financial and non-financial matters, powers of attorney and authorised signatories
- Governance Monitoring/Audit
- Monitors whether employees are compliant with internal and external rules, regulations, policies and procedures.
- Our Code of Ethics & Business Conduct was officially launched in 2020 to be fully aligned with our new purpose and cultural values.

The code clearly states it is the responsibility of each employee to be familiar with compliance requirements, and to conduct themselves in accordance with the relevant laws, guidelines, policies and processes that apply to them. The company in turn has an obligation to help employees understand the applicable rules and to provide training, technology, and digital options with the aim of helping Al Ramz achieve compliance. To ensure that we are continuously informed of the latest regulations and industry standards, our employees are required to participate in targeted and tailored training programs that includes, but is not limited to, developments in the finance industry and internal ideal practices for continued compliant growth. we have also established Ethics & Business conduct board which duties includes:

- overseeing the implementation of the Code
- providing regular training and educational materials to the employees
- Reporting any violations to the concerned management

## **6. Environment Action**

### **a. Digitalization and Transformation**

2020 demonstrated that times are changing and without adopting new technologies, businesses can't sustain growth or even maintain current levels of business. Al Ramz has worked for the past 3 years on digitalization and automation of operations. We have also invested in infrastructure and the latest technology upgrades to operate 100% from home without any interruptions during the pandemic.

The group has also adopted the strategy for the securities brokerage services which will provide unprecedented services in the region and will raise the bar for the financial sector.

### **b. Protecting Our Planet**

The year 2020 was unprecedented. COVID-19 has changed the whole business environment pushing companies to expedite adopting online digital practices. Despite the large impact of this pandemic on the world, it had a very positive impact on the environment. The lockdown has resulted in a significant drop in CO<sub>2</sub> emissions from our employee vehicles into the atmosphere. Working from home also resulted in significantly lower paper usage, electricity usage, and water usage from our office. Moreover, adopting technology advancements has resulted in savings and a positive impact on the environment. In the past few years, our focus on the environmental impact of cooperation has increased. We started documenting this impact and constructing a plan to enhance many angles of operation in order to reduce our carbon footprint as much as possible.

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